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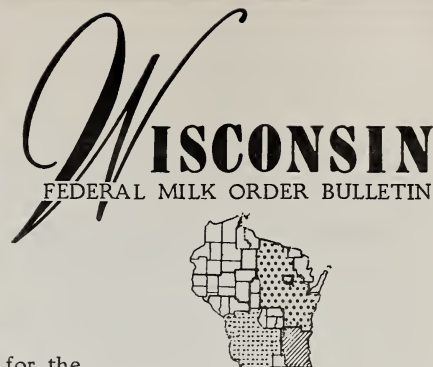
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G & R-PREP



for the
Milwaukee, Northeastern
and Madison Marketing Areas
C. T. McCleery - Market Administrator

MARCH 1964

SUPPLY AREA FOR MILWAUKEE MILK MARKET

In order to give some measure of description to the milk supply area for plants under the Milwaukee marketing order, we have prepared two tables, one with data for the month of November 1963 and the other with similar data for November 1962.

The information is by each County source and shows the name of the County wherein farms are located, the month's deliveries of producer milk in thousand pounds, the number of farms and average pounds of daily delivery per farm.

Generally all counties have less farms supplying the market in 1963 than in 1962, a total decrease of 62 farms. Jefferson County is the exception having 36 more farms. Waukesha County is the principal loser. (Continued to page 8)

EQUILIBRIUM IN THE MARKET PLACE

When the word equilibrium is used in marketing and economics, the reference is usually made to state the condition of a market. In a market place, the supply, demand, and resulting price may be in or tending toward equilibrium. If the market is found to be in equilibrium, several conditions have been combined to reach a balanced state. First, producers have supplied quantities and qualities in the amounts that were demanded. Second, the demand for and supply of the product or service has resulted in a price that was satisfactory to both buyers and sellers. Third, when this state of the market is reached, there is no desire to change the situation by any of the parties.

Change is more likely to be the condition of the market than equilibrium. (Continued to page 8)

— DATA IN BRIEF - FOR THE MAN IN A HURRY —

<u>FEBRUARY 1964</u>	<u>Milwaukee Order No. 39</u>	<u>Northeastern Wis. Order No. 45</u>	<u>Madison Order No. 51</u>
Class I Price & Differential	\$3.81 7.0¢	\$3.67 7.2¢	\$3.81 7.0¢
Class II Price & Differential	\$3.16 6.7¢	\$3.16 6.7¢	\$3.16 6.7¢
Producer Price & Differential	\$3.71 6.9¢	\$3.45 7.0¢	\$3.65 6.9¢
Pounds of Producer Milk	70,556,979	40,374,457	21,610,237
Percentage in Class I	82.3%	57.4%	72.5%
<u>MARCH 1964</u>			
Class I Price & Differential	\$3.60 7.0¢	\$3.46 7.2¢	\$3.60 7.0¢

UNIFORM PRICES AND COMPUTATION

PRODUCER PRICES FOR FEBRUARY 1964

Milwaukee Wisconsin Marketing Area
Federal Order No. 39

Minimum prices per hundredweight to be paid on or before the 15th of each month to producers for 3.5% milk, f.o.b. plant. These prices are subject to a butterfat differential per point over and under 3.5% and to a deduction of 2 cents per hundredweight for marketing service for nonmembers. In the case of members of approved cooperatives, these prices are subject to the deductions authorized by the associations.

The prices listed below do not include any premium payments which may be paid by handlers and which may bring actual payments in excess of minimum requirements.

Name of Handler	Minimum Pay Price	B.F. Dif'l
Blochowiak Dairy	\$3.67	6.9¢
The Borden Co.	3.72	6.9
Cedarburg Dairy, Inc.	3.75	7.0
Fairmont Foods Co.	3.73	7.0
Gehl Guernsey Dairy	3.59	6.9
Golden Guernsey Dairy	3.72	6.9
Harmony Dairy Products	3.59	6.9
Hawthorn-Melody Farms	3.62	6.9
Healthway Dairy, Inc.	3.76	7.0
Home Dairy	3.78	7.0
Keystone Farms	3.53	6.9
Krueger Dairy	3.78	7.0
McFarlands' Farm Dairy	3.81	6.9
Milk Producers Coop.	3.80	7.0
Mullen's Dairy	3.76	7.0
Progressive Dairy Prod.	3.82	7.0
Pure Milk Association	3.84	7.0
Roets Home Dairy	3.73	6.9
Schroeder Dairy	3.73	7.0
Sealtest Foods	3.64	6.9
Vande Kolk Dairy	3.76	7.0
Warren Dairy	3.84	7.0
Wayside Dairy	3.82	7.0
West Side Dairy, Inc.	3.82	7.0

WEIGHTED AVERAGE 6.9¢

Weighted Average of Producer
Prices for Information Purposes: \$3.71

FEBRUARY 1964

Producer Milk in Class I

Producer Milk in Class II

Total Milk and Value Before Adjustments

Adjustments for Value of:

Overage Deducted from Classes I & II
Beginning Inventory Reclassification
Other Source Milk Deducted from Class I
Butterfat More or Less than 3.5 Percent
Plant Location Differentials
Half of Producer-Equalization Fund

Aggregate Value and Average Price

Reserve to Producer-Equalization Fund

Uniform Price to Producers for 3.5% Milk

* Subject to location differentials. These minimum pay

MANUFACTURING PRICES AND

Year and Month	92Score Butter Chicago	Cheddar Cheese Wis.	Spray Dry Skim	Basic Formula Price	Handler B'fat Dif'l C.I.* C.II
1963	cents	cents	cents	dol.	cents
Feb.	57.94	34.31	14.17	3.10	7.0 6.7
Mar.	57.97	33.79	14.19	3.10	7.0 6.7
Apr.	57.97	33.80	14.14	3.09	7.0 6.7
May	57.97	33.80	14.12	3.08	7.0 6.7
June	57.97	34.00	14.18	3.07	7.0 6.7
July	57.97	34.12	14.15	3.08	7.0 6.7
Aug.	57.97	34.25	14.18	3.09	7.0 6.7
Sep.	59.70	34.25	14.24	3.10	7.0 6.9
Oct.	58.48	34.50	14.25	3.12	7.2 6.7
Nov.	58.09	35.00	14.24	3.15	7.0 6.7
Dec.	58.01	35.12	14.24	3.16	7.0 6.7
1964					
Jan.	57.97	35.25	14.32	3.16	7.0 6.7
Feb.	57.97	35.12	14.26	3.17	7.0 6.7
Mar.				3.16	

* Exception, Order No. 45 is 7.2¢ through Sep. '63; Oct. '63 7.5¢; Nov., Dec. '63 & Jan. '64 7.3¢; Feb. & Mar. '64 7.2¢

OTHER PRICE DATA

OF UNIFORM PRICES

Northeastern Wisconsin Marketing Area Federal Order No. 45				Madison Wisconsin Marketing Area Federal Order No. 51			
Pounds of Milk	Average B'fat Test	Price at Test	VALUE	Pounds of Milk	Average B'fat Test	Price at Test	VALUE
23, 165, 256	3.543047	\$3.702046	\$857,588.46	15,666,024	3.526428	\$3.794829	\$594,498.90
<u>17,209,201</u>	3.789944	3.354262	<u>577,241.75</u>	<u>5,944,213</u>	3.983908	3.48219	<u>207,109.41</u>
40,374,457			\$1,434,830.21	21,610,237			\$801,608.31
			767.72				1,031.62
			7.82				156.68
			-				-
			-41,908.30				-22,704.28
			-362.16				7,456.19
			<u>18,064.02</u>				<u>10,237.98</u>
		\$3.495773	\$1,411,399.31			\$3.691706	\$797,786.50
		<u>.045773</u>	<u>-18,480.56</u>			<u>.041706</u>	<u>-9,012.85</u>
		<u>\$3.45*</u>	\$1,392,918.75			<u>\$3.65*</u>	\$788,773.65

Prices do not include any premium payments which may be paid by handlers.

FEDERAL ORDER PRICES FOR WISCONSIN AREAS - NO. 39, NO. 45, NO. 51

Class I Price Differentials			Supply-Demand Adjustments			Class I Prices			Uniform Prices to Producers** and Producer Butterfat Differentials					
No.39	No.45	No.51	No.39	No.45	No.51	No.39	No.45	No.51	Milwaukee	Northeast	Madison			
cents			cents			dollars			dol. cents	dol. cents	dol. cents			
88	74	88	-24	-18	-24	3.74	3.66	3.74	3.63	6.9	3.40	7.0	3.58	6.9
68	54	68	-24	-24	-24	3.54	3.40	3.54	3.46	6.9	3.25	7.0	3.43	6.9
68	54	68	-24	-22	-24	3.53	3.41	3.53	3.46	6.9	3.25	7.0	3.38	6.9
68	54	68	-24	-24	-24	3.52	3.38	3.52	3.44	6.9	3.23	7.0	3.35	6.9
68	54	68	-24	-24	-24	3.51	3.37	3.51	3.41	6.9	3.25	7.0	3.34	6.9
88	74	88	-24	-24	-24	3.72	3.58	3.72	3.64	7.0	3.45	7.0	3.56	6.9
108	94	108	-24	-24	-24	3.93	3.79	3.93	3.84	7.0	3.59	7.0	3.75	6.9
108	94	108	-24	-24	-24	3.94	3.80	3.94	3.84	7.0	3.56	7.1	3.76	7.0
108	94	108	-24	-20	-24	3.96	3.86	3.96	3.88	7.1	3.61	7.2	3.82	7.1
108	94	108	-24	-24	-24	3.99	3.85	3.99	3.89	7.0	3.56	7.0	3.84	6.9
88	74	88	-24	-24	-24	3.80	3.66	3.80	3.69	6.9	3.42	7.0	3.62	6.9
88	74	88	-24	-24	-24	3.80	3.66	3.80	3.70	6.9	3.44	7.0	3.62	6.9
88	74	88	-24	-24	-24	3.81	3.67	3.81	3.71	6.9	3.45	7.0	3.65	6.9
68	54	68	-24	-24	-24	3.60	3.46	3.60						

* Weighted averages are shown for Milwaukee and all markets when base and excess prices are in effect.

UTILIZATION AND CL

FEDERAL OR

— MILWAUKEE MARKET NO. 39 —

I T E M	February 1964		January 1964		February 1963	
	Thousand Pounds	% B'fat	Thousand Pounds	% B'fat	Thousand Pounds	% B'fat
CLASS I MILK						
Packaged Products:						
Fluid Milk	45,935	3.5	48,585	3.5	42,340	3.5
Flavored Milk	1,811	3.5	1,830	3.5	1,617	3.6
2% Skim Milk, Solids Added	3,546	2.1	3,679	2.1	2,853	2.1
" " " , Plain	1,379	2.2	1,440	2.2	1,048	2.2
Skim Milk, Solids Added	1,810	.4	1,856	.4	1,642	.3
Plain Skim	983	.7	1,038	.7	942	.8
Buttermilk	474	1.1	443	1.0	410	1.0
Flavored Milk Drink	206	.5	190	.6	181	.6
Half & Half	957	12.4	1,004	12.4	895	12.5
Light Cream	42	19.0	44	19.0	49	19.0
Whipping Cream	188	32.8	185	32.8	194	33.2
Cultured Cream	222	18.7	238	18.6	174	18.6
Subtotal	57,553	3.5	60,532	3.5	52,345	3.6
Bulk Sales to Nonhandlers	595	3.7	567	3.7	289	3.7
Unaccounted for Milk	57	9.2	267	1.9	58	6.8
Total Utilized in Class I	58,205	3.5	61,366	3.5	52,692	3.6
Nonpool Receipts*	-170	3.6	-119	5.1	-123	4.9
CLASS I - PRODUCER MILK	58,035	3.5	61,247	3.5	52,569	3.6
CLASS II MILK						
Bakeries et al	102	13.1	120	13.6	104	12.3
Cottage Cheese	5,378	1.0	4,096	.9	3,310	.9
Cheese	3,383	3.6	2,702	3.8	2,197	3.7
Butter	581	16.3	495	19.4	2,294	7.0
Evap., Cond., & Pwd.	2,774	4.9	3,609	4.5	1,507	4.7
Ice Cream & Mixes	2,400	9.7	2,262	11.7	1,932	10.3
Livestock Feed	62		69		93	
Dumped Products	9		5		5	
Skim Equiv. Fort. Prod.	1,158		1,183		1,014	
Ending Inventory	4,063	4.1	4,674	4.0	5,062	4.0
Shrinkage	668	2.7	1,189	2.3	999	2.3
Total Utilized in Class II	20,578	4.1	20,404	4.4	18,517	4.2
Nonpool Receipts*	-8,056	3.0	-8,287	3.4	-7,591	3.4
CLASS II - PRODUCER MILK	12,522	4.7	12,117	5.0	10,926	4.8
TOTAL PRODUCER RECEIPTS	70,557	3.7	73,364	3.8	63,495	3.8

NOTE: Bakeries et al includes products for candy manufacturing, aerated cream, sour cream products not labeled Grade A, and small amounts of eggnog during off-season months.

CLASSIFICATION OF MILK

ERS 39, 45, 51

— NORTHEASTERN MARKET NO. 45 —						— MADISON MARKET NO. 51 —					
February 1964		January 1964		February 1963		February 1964		January 1964		February 1963	
Thousand	%	Thousand	%	Thousand	%	Thousand	%	Thousand	%	Thousand	%
Pounds	B'fat	Pounds	B'fat	Pounds	B'fat	Pounds	B'fat	Pounds	B'fat	Pounds	B'fat
18,618	3.5	19,851	3.5	16,481	3.4	10,273	3.4	10,930	3.4	9,818	3.5
1,261	3.5	1,278	3.5	1,036	3.5	777	3.8	793	3.8	696	3.8
613	2.1	534	2.1	139	2.1	2,162	2.1	2,249	2.1	1,787	2.1
257	1.9	272	1.9	199	1.8	-	-	-	-	-	-
633	.3	714	.3	670	.6	676	.7	693	.8	581	.7
607	.5	628	.6	392	.4	58	.3	65	.3	62	.3
218	.8	205	.8	182	.8	153	1.5	150	1.5	132	1.6
105	.8	88	.9	60	.9	2	.9	2	1.0	2	2.2
360	12.8	381	12.9	315	12.8	299	12.4	311	12.3	275	12.1
5	22.5	5	22.2	9	22.3	5	22.5	7	21.9	5	22.5
84	34.6	87	34.8	78	34.2	53	34.3	53	34.1	51	34.0
71	18.9	79	19.2	53	18.6	46	21.9	45	21.8	34	21.7
22,832	3.5	24,122	3.5	19,614	3.6	14,504	3.5	15,298	3.5	13,443	3.5
281	4.3	315	4.1	144	3.6	1,859	4.0	1,373	4.1	742	3.9
54	9.8	113	9.2	57	16.9	56	4.0	65	6.7	77	2.7
23,167	3.5	24,550	3.6	19,815	3.6	16,419	3.5	16,736	3.5	14,262	3.5
-2	3.6	-	-	-5	3.3	-753	3.4	-776	3.6	-636	3.7
23,165	3.5	24,550	3.6	19,810	3.6	15,666	3.5	15,960	3.5	13,626	3.5
-	-	-	-	-	-	5	26.6	5	25.8	4	31.4
2,604	1.0	1,972	1.1	1,904	1.0	1,239	1.2	998	1.2	959	1.3
8,587	3.6	15,635	3.6	11,674	3.6	1,816	2.8	2,494	2.9	1,637	3.0
593	35.3	565	35.5	897	37.8	399	35.8	390	35.7	348	34.5
4,843	.2	4,559	.2	9,388	.7	2,149	1,948	1,948	1,725	1,725	1,725
1,253	8.3	1,245	8.4	777	7.8	655	9.1	597	9.3	490	10.1
65	62	62	54	54	71	71	73	73	56	56	56
11	14	14	56	56	-	-	-	-	-	-	-
448	452	452	308	308	460	460	460	460	444	444	444
1,915	4.1	2,285	3.9	2,559	4.4	1,212	4.2	1,364	4.0	1,292	4.1
401	3.9	579	4.1	330	6.6	286	1.7	346	2.0	289	1.7
20,720	3.6	27,368	3.7	27,947	3.8	8,292	3.9	8,675	3.9	7,244	4.0
-3,511	2.9	-7,256	3.4	-11,198	3.7	-2,348	3.7	-2,252	3.4	-2,221	3.6
17,209	3.8	20,112	3.8	16,749	3.8	5,944	4.0	6,423	4.1	5,023	4.2
40,374	3.6	44,662	3.7	36,559	3.7	21,610	3.7	22,383	3.7	18,649	3.7

* Includes, whenever applicable, receipts of other source milk, beginning inventory, and overage, all as allocated to classes, and discrepancies between reported interhandler transfers.

CLASS I AND RECEIPTS BY MONTHS

POUNDS OF PRODUCER MILK IN CLASS I, ITS PERCENTAGE TO TOTAL PRODUCER MILK WITH TOTALS FOR PRODUCER MILK AND FOR OTHER SOURCE MILK BY WISCONSIN MARKETS

Year and Month	MILWAUKEE, No. 39					NORTHEASTERN, No. 45					MADISON, No. 51				
	CLASS I		From Pro- ducers	Other Source Milk	Mil. #	CLASS I		From Pro- ducers	Other Source Milk	Mil. #	CLASS I		From Pro- ducers	Other Source Milk	Mil. #
	Mil. #	%	Mil. #			Mil. #	%	Mil. #			Mil. #	%	Mil. #		
1963															
Feb.	52.6	82.8	63.5	2.6		19.8	54.1	36.6	8.7		13.6	73.1	18.6	1.6	
Mar.	57.8	82.5	70.1	2.8		21.5	53.3	40.2	10.7		15.1	72.9	20.7	2.1	
Apr.	56.4	82.8	68.1	3.2		20.9	52.9	39.5	11.6		13.7	67.5	20.3	2.0	
May	57.8	82.0	70.5	3.1		21.9	53.2	41.1	13.8		13.7	63.8	21.5	3.0	
June	50.9	76.5	66.6	3.4		21.2	51.1	41.4	15.6		11.9	60.5	19.6	2.4	
July	54.0	85.2	63.4	3.6		24.6	68.8	35.7	13.5		13.2	73.0	18.1	2.6	
Aug.	56.0	88.0	63.7	3.5		23.8	68.1	35.0	12.2		13.6	76.7	17.7	2.5	
Sep.	55.4	87.4	63.4	3.8		23.0	64.8	35.5	10.0		14.0	76.7	18.2	1.7	
Oct.	61.5	89.6	68.6	3.8		24.8	65.9	37.7	2.5		16.8	82.0	20.5	1.9	
Nov.	58.7	87.7	66.9	3.0		23.5	58.5	40.2	4.3		16.0	80.7	19.8	1.6	
Dec.	58.2	82.0	71.0	3.1		23.1	53.2	43.3	4.4		15.0	71.1	21.1	1.8	
1964															
Jan.	61.2	83.5	73.4	3.4		24.5	55.0	44.7	5.0		16.0	71.3	22.4	1.8	
Feb.	58.0	82.3	70.6	3.2		23.2	57.4	40.4	1.2		15.7	72.5	21.6	1.7	

FARM NUMBERS AND DELIVERIES

NUMBER OF FARMS AND AVERAGE DAILY DELIVERIES PER FARM BY WISCONSIN MARKETS

Year and Month	MILWAUKEE				NORTHEASTERN				MADISON			
	Number of Farms		Avg. Daily Per Farm		Number of Farms		Avg. Daily Per Farm		Number of Farms		Avg. Daily Per Farm	
	'63	'64	'63	'64	'63	'64	'63	'64	'63	'64	'63	'64
Jan.	2270	2247	990	1056	1374	1421	940	1014	615	642	1028	1125
Feb.	2261	2235	1006	1092	1371	1341	952	1038	651	641	1023	1163
Mar.	2256		1007		1360		959		650		1025	
Apr.	2261		1007		1355		971		645		1047	
May	2215		1029		1355		979		639		1086	
June	2211		1001		1415		976		621		1053	
July	2222		923		1417		814		633		924	
Aug.	2243		926		1417		797		639		892	
Sep.	2265		942		1438		822		650		933	
Oct.	2271		983		1361		894		646		1022	
Nov.	2258		992		1447		927		643		1028	
Dec.	2256		1018		1447		966		643		1056	
Avg.	2250		985		1396		916		640		1010	

COMPARATIVE STATISTICS

SELECTED DATA COMPARISONS, WISCONSIN MARKETS

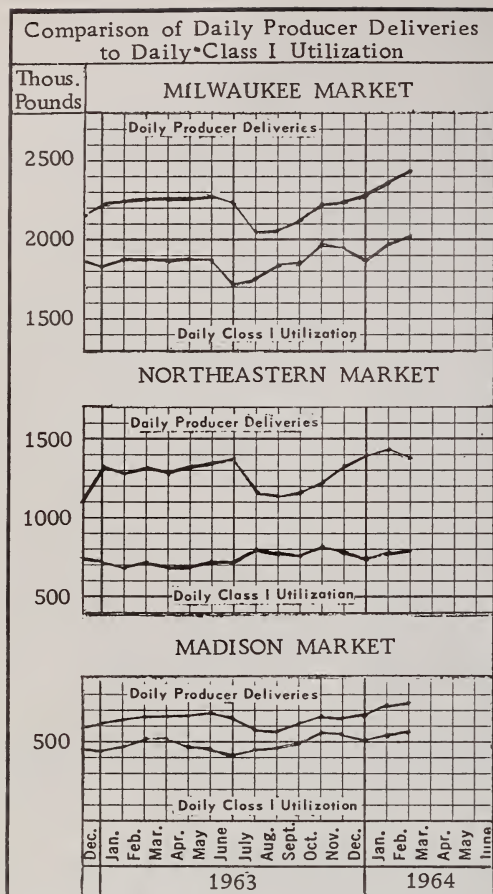
	Order No. 39			Order No. 45			Order No. 51		
	February		Com-	February		Com-	February		Com-
	'64	'63	parison	'64	'63	parison	'64	'63	parison
Average Daily:									
Producer Milk, thous. lbs.	2433	2268	+7.3%	1392	1306	+6.6%	745	666	+11.9%
Other Receipts " "	119	99		42	311		107	102	
Gross Class I " "	2007	1882	+6.6%	799	708	+12.9%	566	509	+11.2%
Gross Class II " "	710	661	+7.4%	714	998	-28.5%	286	259	+10.4%
Deliveries per Farm, lbs.	1092	1006	+8.5%	1038	952	+9.0%	1163	1023	+13.7%
Number of Farms	2235	2261	-26	1341	1371	-30	641	651	-10
Avg. Test of Prod. Milk, %	3.73	3.77		3.65	3.68		3.65	3.68	
Number of Handlers:									
Pool Plants	24	27	-3	63	63	-	22	22	-
Other Handlers	5	3	+2	8	7	+1	9	8	+1
Producer Milk in Class I, %	82.3	82.8		57.4	54.2		72.5	73.1	
Shrinkage to Total Receipts:									
Product Pounds, %	.87	1.47		1.09	.86		1.26	1.60	
Butterfat Pounds, %	.76	.99		1.40	1.90		.71	.80	

NEARBY FEDERAL ORDER DATA

PRODUCER MILK, TOTAL AND CLASS I, AND RELATED PRICES - FEBRUARY 1964

Market	Producer Milk	Class I Milk	Class I Price	Producer Price
	thous. lbs.	thous. lbs.	3.5% Milk \$ per cwt.	3.5% Milk \$ per cwt.
Chicago, No. 30	519,847	192,845	3.83	3.50
Duluth-Superior, No. 69	14,125	7,260	3.92	3.41
Madison, No. 51	21,610	15,666	3.81	3.65
Mich. Upper Peninsula, No. 44	9,567	7,217	3.88	3.79
Milwaukee, No. 39	70,557	58,035	3.81	3.71
Minneapolis-St. Paul, No. 68	95,608	56,585	3.84	3.60
Northeastern Wisconsin, No. 45	40,374	23,165	3.67	3.45
Quad Cities-Dubuque, No. 63	22,627	15,051	4.03	3.75
Rock River Valley, No. 38	10,915	8,273	3.85	3.68
Southern Michigan, No. 40	304,852	180,159	3.94	3.48

NOTE: The producer price shown for Michigan Upper Peninsula and Milwaukee is, in each case, the weighted average of minimum pay prices for pool plants, including zone or location differentials. Announced prices for basic zones are quoted in other instances. During base pay periods weighted averages are shown for base and excess prices.



WISCONSIN FEDERAL MILK ORDER BULLETIN

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Federal Milk Market Administrator
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for the
Milwaukee, Northeastern
and Madison Marketing Areas

This bulletin is primarily to provide producers who are not members of cooperative associations with market information in accordance with § 1039.74 of the Milwaukee Wisconsin marketing order, § 1045.75 of the Northeastern Wisconsin marketing order, and § 1051.77 of the Madison Wisconsin marketing order.

Supply Area, Continued from page 1

Fewer farms did not supply less milk however. They supplied over 2 million pounds more in November 1962, an increase per farm of nearly 6 percent. The largest farms were in Sheboygan County.

County in Wisconsin	NOVEMBER 1963		Avg. Daily Per Farm
	Producer Milk	No. of Farms	
	thous. lbs.		pounds
Washington	11,344	391	972
Waukesha	10,670	376	947
Dodge	8,362	271	1,039
Jefferson	6,869	232	995
Ozaukee	6,555	235	936
Fond du Lac	5,173	167	1,033
Sheboygan	4,997	146	1,147
Kenosha	4,270	137	1,041
Racine	4,189	153	913
Walworth	2,507	78	1,081
Milwaukee	452	21	717
Others	1,532	51	977
	66,920	2,258	993

NOVEMBER 1962			
Washington	10,809	393	920
Waukesha	10,801	402	906
Dodge	8,316	277	1,006
Ozaukee	6,337	242	878
Jefferson	5,747	196	977
Fond du Lac	4,740	166	967
Sheboygan	4,531	144	1,056
Racine	4,197	158	898
Kenosha	4,010	142	969
Walworth	2,400	80	1,004
Milwaukee	542	26	719
Others	2,348	94	837
	64,778	2,320	939

Equilibrium, Continued from page 1

The cost of inputs may be higher or lower and the technology of production may be changing. These cost and technological changes will have a bearing on the cost of production. A change in the cost of production, whether it be lower or higher, will cause some dissatisfaction and encourage change. The expansion of production (price remaining constant) with lower cost will result in more income. The reverse happens with higher cost of production. If production is increased when the product reaches the market, it likely will not be in equilibrium. If supply changes and demand does not, price must change to either a higher or lower level.

--- J. C. Grady - University of Missouri ---